(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SATYABRATA MOOKHERJEE): (a) Yes, Sir. Funds underthe Border Area Development Programme are allocated/sanctioned for release regularly on an annual basis.

(b) Funds sanctioned for release during the last five years 1998-99 to 2002-03 are as under:

(Rs. in crore)

Year	*Funds sanctioned*
1998-99	191.42
1999-2000	210.00
2000-01	210.00
2001-02	194.17
2002-03	325.00

(a) The Funds are utilized for various schemes, as approved by the State level Screening Committee under the chairmanship of the State's Chief Secretary, insectors such as Irrigation, Roads and Bridges, Drinking Water, Animal Husbandry, Education, Health, Energy, etc.

(b) and (e) Instances of use of funds in contraventionof the guidelines are examined in consultation with the State Governments and the State Government is advised to take corrective action and report compliance.

Reform is subsidy structure

3062. SHRI B.J. PANDA: Will the PRIME MINISTER be pleased to state:

(b) whether Government propose to reform subsidy structure, if so, the details of the proposed reforms;

(c) the steps taken to control the State deficits, especially in Orissa; and

(d) whether we are going slow on power reforms, if so, the proposed measures to speed up reforms in the sector?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SATYABRATA MOOKHERJEE): (a) Yes, Sir. The Goernment is attempting to make subsidies well targeted, efficiently managed and transparent. Government is, moreover, constantly reviewing the burden of subsidy and its implication of fiscal aggregates. It may be recognized that social and economic compulsions would not allow complete abolition of subsidies.

(b) As per the recommendations of the 11th Finance Commission, the Government of India has created *the State Fiscal Reform Facility* for the period 2000-01 to 2004-05 with an incentive fund of Rs. 10607.72 crores for incentivising States towards reducing fiscal deficits. Under this facility, the States are enjoined to draw up *Medium Term Fiscal reforms Programme* over the reform period. The Government of India has also created a *Debt Swap* mechanism to facilitate States to retire their stock of high cost Government of India loans and advances and thus reduces their non-plan expenditure arising from interest payments.

The Government of Orissa has drawn up their Medium Term Fiscal reforms Programme for the period 2000-01 to 2004-05 and has entered into MoLI with the Government of India. A sum of Rs. 77.95 crores was released to Govt, of Orissa from the incentive fund for the year 2000-01. The Goernment of India has also provided a medium term soft loan to Government of Orissa amounting to Rs. 692 crores for meeting the opening balance deficit in the State's account with the RBI, as on 1.4.2002.

(c) The Government has taken a number of steps to increase the pace of reforms in the power sector. The *Accelerated Power Development Programme (APDP)* was initiated in 2000-01 with the objective of giving fillip to reforms *in the distribution sector.* The scheme has been further modified and has been named the Accelerated Power Development and Reform Programme (APDRP) from the current year with a view to enhance the investment in all the distribution circles all over the country. The modified scheme provides incentives linked to achievement of certain reform-based parameters like reduction in commercial losses and increased revenue realization besides provision for investment in the distribution sector.

The one time scheme for settlement of outstanding dues of SEBs as recommended by the Ahluwalia Committee (2001) is under implementation. This would facilitate settlement of outstanding dues of the SEBs payable of CPSUs as on September 2001. 24 States